

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6954**

**BILL NUMBER:** HB 2089

**DATE PREPARED:** Dec 28, 2000

**BILL AMENDED:**

**SUBJECT:** Property Tax Administration.

**FISCAL ANALYST:** Bob Sigalow

**PHONE NUMBER:** 232-9859

**FUNDS AFFECTED:**      **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** *Board of Appeals:* This bill provides that if the county assessor is a certified level 2 assessor-appraiser, the board of county commissioners may waive the requirement that one of the freehold members appointed by the board to the county property tax assessment board of appeals must be a certified level 2 assessor-appraiser. It allows the county assessor, fiscal body, and commissioners, if necessary, to waive the requirement that not more than three of the five members of the county property tax assessment board of appeals may be members of the same political party. The bill also allows a waiver, if necessary, of the requirement that at least three members of the county property tax assessment board of appeals must be residents of the county.

*Assessor Certification:* This bill provides that beginning January 1, 2002, in each county, the county assessor or an employee of the county assessor must be a certified level 2 assessor-appraiser. It provides that a county assessor who becomes a certified level 2 assessor-appraiser is entitled to a salary increase of \$1,000 and provides that a certified level 2 assessor-appraiser who becomes county assessor is entitled to a salary \$1,000 higher than the salary of the previous county assessor if the previous county assessor was not a certified level 2 assessor-appraiser. The bill also provides that an employee of a county assessor or township assessor who becomes a certified level 2 assessor-appraiser is entitled to a salary increase of \$500.

**Effective Date:** July 1, 2001; January 1, 2002.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Assessor Certification:* This bill requires that county assessors who earn a level two assessor-appraiser certification are to be paid an additional \$1,000 per year. This provision would increase expenses for county assessor salaries, statewide, by up to \$92,000 per year plus salary-based

fringe benefits.

Employees of the county assessor and the township assessor who earn a level 2 assessor-appraiser certification are to be paid an additional \$500 per year. This provision would increase salary and salary-based expenses for county assessor employees and township assessor employees. The total amount of the increase depends on the total number of employees who become certified. The bill requires that the county assessor or a county assessor employee be a certified level 2 assessor-appraiser.

The salary provisions would first take effect in July, 2001. These new compensation levels for county assessors and their employees and for township assessor employees could increase county General Fund expenditures. The above salary expenditure increases may come from an increased property tax levy or from money saved by reducing other expenditures. If the county already levies its maximum levy, then it could not increase taxes and, instead, would have to use current resources to fund the salary increases.

**Explanation of Local Revenues:** *Board of Appeals:* This bill makes several changes to the composition of the county property tax assessment board of appeals (appeals board). Currently, the county commissioners must appoint at least one certified level 2 assessor-appraiser to the appeals board. Under this proposal, the county commissioners may waive this requirement if the county assessor is a certified level 2 assessor-appraiser.

This proposal also allows the county assessor, county fiscal body, and county commissioners to agree to waive the current requirement that not more than three of the five appeals board members may be of the same political party. The waiver is possible if there aren't any certified level 2 assessor-appraisers (1) who are willing to serve on the appeals board and (2) who are members of the political party that would otherwise be represented by two members on the board.

Additionally, the bill would allow the certified level 2 assessor-appraisers on the appeals board to reside outside of the county if there aren't at least two qualified county residents who are willing to serve on the board.

Some smaller Indiana counties may currently be having difficulty in filling vacancies on the appeals board with qualified persons under current law. The above changes may allow these counties to make all of the necessary appointments to the appeals board.

**State Agencies Affected:**

**Local Agencies Affected:** County assessors; County boards of appeals; Township assessor offices.

**Information Sources:**